

## Message Text

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FM SECSTATE WASHDC

TO AMEMBASSY MOSCOW IMMEDIATE

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NODIS

FOR CHARGE

E.O. 11652: XGDS-3

TAGS: PFOR, PARM, UR

SUBJECT: ANTICIPATED PRESIDENTIAL NUCLEAR POLICY STATEMENT

1. THE SECRETARY REQUESTS THAT, AT EARLIEST POSSIBLE TIME, YOU MEET WITH CHAIRMAN MOROKHOV TO ALERT HIM TO THE UP-COMING ANNOUNCEMENT BY THE PRESIDENT ON NEW US POLICIES TOWARD NON-PROLIFERATION, INCLUDING US POLICIES TOWARD DOMESTIC AND INTERNATIONAL REPROCESSING. THESE INITIATIVES ARE BASED UPON THE RESULTS OF THE INTERAGENCY TASK FORCE ESTABLISHED BY THE PRESIDENT LAST JULY, WHICH RECENTLY PRESENTED TO HIM ISSUES AND OPTIONS FOR NUCLEAR PO-ICY INITIATIVES.

2. POINTS FOR USE IN YOUR MEETING WITH MOROKHOV ARE GIVEN IN PARA 5 BELOW. DURING COURSE OF MEETING YOU SHOULD  
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DELIVER TO MOROKHOV AN INFORMAL PAPER EXPLAINING IN MORE

DETAIL THE RESULTS OF THE NUCLEAR POLICY REVIEW, WHICH IS BEING SENT BY SEPTTEL.

3. THE PRESIDENT INTENDS TO MAKE A PUBLIC ANNOUNCEMENT ON THIS SUBJECT IN THE VERY NEAR FUTURE. BEFORE DOING SO, HOWEVER, HE REQUESTED THAT THE SECRETARY OF STATE, ON A MOST CONFIDENTIAL BASIS, INFORM IN ADVANCE OFFICIALS IN THE KEY NUCLEAR SUPPLIER STATES WITH WHOM WE HAVE HAD

CONTINUING AND PRODUCTIVE COOPERATION IN THE NON-PROLIFERATION FIELD AND FROM WHOM WE WOULD SEEK SUPPORT FOR OUR INITIATIVES. YOU SHOULD TREAT THIS INFORMATION AND THE MATERIAL IN THE FOLLOWING LETTER IN THE STRICTEST CONFIDENCE AND URGE MOROKHOV TO DO THE SAME.

WE WILL NOTIFY YOU WHEN THE SPECIFIC TIMING OF A PRESIDENTIAL STATEMENT BECOMES CLEAR.

4. SIMILAR MEASURES ARE BEING TAKEN TO INFORM LONDON, PARIS, BONN, OTTAWA, AND TOKYO OF THE NUCLEAR POLICY REVIEW.

5. TALKING POINTS WITH MOROKHOV FOLLOW:

A. IN KEEPING WITH THE CLOSEWORKING RELATIONSHIP BETWEEN OUR TWO COUNTRIES ON NON-PROLIFERATION MATTERS AND OUR EFFORTS IN THE LONDON NUCLEAR SUPPLIERS GROUP, WE WISH TO GIVE YOUR GOVERNMENT ADVANCE NOTICE OF THE RESULTS OF THE PRESIDENTIAL NUCLEAR POLICY REVIEW WHICH WE HAD UNDERTAKEN OVER THE PAST TWO MONTHS. THESE RESULTS ARE DESCRIBED IN THIS INFORMAL PAPER, WHICH MY GOVERNMENT REQUESTS I DELIVER TO YOU, SUMMARIZING THE RESULTS OF OUR INTERNATIONAL NUCLEAR POLICY ASSESSMENT.

B. THE PRESIDENT WILL SHORTLY COMMUNICATE THESE POLICY APPROACHES TO THE CONGRESS AND THE AMERICAN PUBLIC. SINCE THESE POLICIES HAVE DIRECT RELEVANCE TO AND ARE SUPPORTIVE OF OUR NUCLEAR SUPPLIERS GROUP ACTIVITIES AND OBJECTIVES, WE ARE THEREFORE CONSULTING WITH OUR MAJOR NUCLEAR PARTNERS IN ADVANCE.

C. BEYOND THE FUNDAMENTAL SECURITY CONCERNS GUIDING OUR NON-PROLIFERATION EFFORTS, TWO BASIC CONSIDERATIONS  
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UNDERLIE OUR INTERNATIONAL POLICY CONCLUSIONS. THE FIRST IS THAT STRONG INTERNATIONAL SUPPORT IS INDISPENSABLE TO THE SUCCESS OF THESE EFFORTS. THE SECOND IS THAT IT IS ESSENTIAL TO BALANCE NUCLEAR SAFEGUARDS AND CONTROLS WITH POSITIVE INDUCEMENTS, PARTICULARLY ASSURED SUPPLY OF NON-SENSITIVE FUEL AND EQUIPMENT.

D. WITH THESE CONSIDERATIONS IN MIND, WE HAVE CAREFULLY

REVIEWED BOTH TRADITIONAL AND MORE RECENT NON-PROLIFERATION APPROACHES, MANY OF WHICH ARE UNDER CONSIDERATION AT THE LONDON SUPPLIERS' MEETINGS AND AT THE IAEA. ON THE ONE HAND, WE BELIEVE IT NECESSARY TO MEET FULLY THE NEED FOR EFFECTIVE AND UNIFORM APPLICATION OF SAFEGUARDS AND FOR PROMPT INTERNATIONAL RESPONSE TO THEIR VIOLATION. ON THE OTHER HAND, WE ATTACH THE GREATEST IMPORTANCE TO ESTABLISHING VIABLE, LONG-TERM ALTERNATIVES TO THE SPREAD

OF NATIONAL REPROCESSING AND ENRICHMENT PLANTS WHICH CAN LEAD DIRECTLY TO A NUCLEAR WEAPONS OPTION.

E. THE PRESIDENT THEREFORE INTENDS TO REITERATE STRONG US SUPPORT FOR THE IAEA SAFEGUARDS SYSTEM TO SPECIFY HOW THE UNITED STATES MIGHT AMPLIFY ITS SUPPORT, AND TO UNDERSCORE THE GRAVITY WITH WHICH THE UNITED STATES WOULD VIEW ANY FURTHER PROLIFERATION OR THE VIOLATION OF ANY SAFEGUARDS AGREEMENT, ALONG THE LINES DESCRIBED IN THE INFORMAL PAPER. WE WOULD VERY MUCH WELCOME PARALLEL STATEMENTS ALONG SIMILAR LINES FROM IAEA MEMBERS AND BELIEVE THAT WE SHOULD JOINTLY EXPLORE FURTHER WAYS TO INCREASING THE EFFECTIVENESS, RELIABILITY AND INVIOABILITY OF AGENCY SAFEGUARDS IN A MANNER CONSISTENT WITH ITS STATUTE.

F. THE PRESIDENT ALSO INTENDS TO RENEW THE US PROPOSAL TO ALL RELEVANT NUCLEAR SUPPLIERS THAT THERE BE NO MORE EXPORTS OF SENSITIVE NUCLEAR FACILITIES, AT LEAST FOR THE NEXT FEW YEARS, AND THAT WE EXPLORE TOGETHER LONG-TERM ARRANGEMENTS TO OFFER MORE ECONOMICAL ENRICHMENT AND REPROCESSING SERVICES INSTEAD OF SENSITIVE TECHNOLOGY TO MEET NUCLEAR CONSUMERS' LEGITIMATE ENERGY NEEDS.

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G. THE PRESIDENT WILL STRONGLY SUPPORT INTERNATIONAL RATHER THAN NATIONAL STORAGE OF SPENT REACTOR FUEL AND SEPARATED PLUTONIUM WHICH ARE IN EXCESS OF PEACEFUL NUCLEAR NEEDS, WITH A VIEW TOWARD ACTIVELY PURSUING THE ESTABLISHMENT OF THIS INTERNATIONAL REGIME CONFIDENTIALLY WITH NUCLEAR SUPPLIERS IN THE LONDON WORKING GROUP AND IN THE IAEA. IN ADDITION, IN SELECTED INSTANCES WE WILL BE PREPARED TO CONSIDER PURCHASE OR EXCHANGE OF FRESH FOR SPENT REACTOR FUEL WHEN THIS APPROACH ENTAILS NON-PROLIFERATION BENEFITS, PARTICULARLY IN DETERRING THE SPREAD OF NATIONAL ENRICHMENT AND REPROCESSING CAPABILITIES

H. IN MAKING THESE PROPOSALS, WE FULLY RECOGNIZE THAT COMMERICAL CAPABILITIES VARY AMONG SUPPLIERS IN THE CRITICAL ENRICHMENT AND REPROCESSING SECTORS. IN THE UNITED STATES, WE WILL SEEK TO EXPAND URANIUM ENRICHMENT

CAPACITY THROUGH THE PRIVATE SECTOR AND A GOVERNMENT ADD-ON FACILITY. SOVIET ENRICHMENT CAPABILITIES CAN, IN OUR VIEW, PLAY AN IMPORTANT SERVICE ROLE IN NON-PROLIFERATION. I. THE PRESIDENT ALSO INTENDS TO MOVE FORWARD IN SUPPORTING EXPERIMENTATION TO ASSESS THE FEASIBILITY AND SAFETY OF REPROCESSING BASED ON A DEMONSTRATION PROJECT, AS WELL AS TECHNOLOGICAL ALTERNATIVES TO REPROCESSING. HE WILL EMPHASIZE, HOWEVER, THAT WE HAVE NO PRECONDITIONS AS TO THE NECESSITY, COMMERCIAL UTILITY, AND VIABILITY OF REPROCESSING AND PLUTONIUM RECYCLE, AND THAT WE WILL ASSIGN FIRST PRIORITY TO NON-PROLIFERATION AND NUCLEAR

SAFETY FACTORS IN MAKING FUTURE JUDGMENTS. AS IN OUR CONCEPT FOR NEW ENRICHMENT FACILITIES, THE PRESIDENT'S PROGRAM WOULD ALLOW FOR APPROPRIATE PARTICIPATION BY OTHER NATIONS AND EXPLORATION OF FUEL SERVICE ARRANGEMENTS. THIS CONFORMS TO OUR PAST PROPOSALS THAT NUCLEAR SUPPLIERS OFFER SUCH SERVICES TO HELP DISCOURAGE THE FURTHER SPREAD OF REPROCESSING FACILITIES.

J. CONSISTENT WITH THE ABOVE APPROACHES, WE ALSO WISH TO EXPLORE THE POSSIBILITY OF AN INTERNATIONAL SYSTEM OF FUEL EXCHANGES, WHICH COULD NOT ONLY HELP COORDINATE NUCLEAR FUEL SUPPLY AND EXCHANGE BUT FACILITATE BROAD ADHERENCE TO THE INTERNATIONAL SPENT FUEL AND PLUTONIUM CONFIDENTIAL

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STORAGE REGIME WHICH WE ARE JOINTLY SEEKING TO ESTABLISH. SUCH A SYSTEM WOULD BE A LONGER-TERM OBJECTIVE, BUT THE CONCEPT MAY WARRANT JOINT STUDY.

K. FINALLY, IN RECOGNITION OF THE IMPORTANCE OF INTERNATIONAL PLUTONIUM CONTROL, WE ARE PREPARED TO TAKE SUBSTANTIAL STEPS AND TO CONSULT ON FURTHER WAYS TO SUPPORT AND CONTRIBUTE TO THE PROPOSED INTERNATIONAL STORAGE REGIME UNDER IAEA AUSPICES. IN PARTICULAR, THE PRESIDENT IS PREPARED TO ANNOUNCE THAT, IN PRINCIPLE, THE US IS PREPARED TO PLACE ITS OWN EXCESS CIVIL SPENT FUEL AND SEPARATED PLUTONIUM IN IAEA DEPOSITORIES, PENDING US NEED, IF A GENERALLY ACCEPTABLE REGIME CAN BE DEVELOPED AND ESTABLISHED. WE ARE ALSO PREPARED TO GIVE ACTIVE SUPPORT TO THE ESTABLISHMENT OF SUCH AN IAEA REGIME AND PLAN TO REFLECT THIS SUPPORT IN OUR NEW AND AMENDED AGREEMENTS FOR COOPERATION. WE SINCERELY BELIEVE THAT THE SUCCESSFUL ESTABLISHMENT OF AN IAEA STORAGE REGIME, AS CONTEMPLATED BY ARTICLE XII OF THE STATUTE, WILL SIGNIFICANTLY REINFORCE INTERNATIONAL SAFEGUARDS AND PROVIDE SIGNIFICANT ASSURANCE THAT PEACEFUL NUCLEAR POWER CAN DEVELOP IN A SAFE AND PURDENT MANNER. KISSINGER

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